

BEFORE THE TENNESSEE REGULATORY AUTHORITY
NASHVILLE, TENNESSEE

REC'D TN
REGULATORY AUTH.

IN RE: APPLICATION OF MEMPHIS)
NETWORK, LLC FOR A CERTIFICATE OF)
PUBLIC CONVENIENCE AND)
NECESSITY TO PROVIDE INTRASTATE)
TELECOMMUNICATIONS SERVICES)
AND JOINT PETITION OF MEMPHIS)
LIGHT GAS AND WATER DIVISION,)
A DIVISION OF THE CITY OF MEMPHIS,)
TENNESSEE ("MLGW") AND A&L)
NETWORKS-TENNESSEE, LLC ("A&L"))
FOR APPROVAL OF AGREEMENT)
BETWEEN MLGW AND A&L REGARDING)
JOINT OWNERSHIP OF MEMPHIS)
NETWORK, LLC)

'00 JUL 6 PM 1 26

OFFICE OF THE
EXECUTIVE SECRETARY
DOCKET NO. 99-00909

**REVISED PRE-FILED REBUTTAL TESTIMONY OF
WARD HUDDLESTON, JR. ON BEHALF OF MEMPHIS NETWORK, LLC¹**

Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.

A. My name is Ward Huddleston, Jr. My business address is 7555 Appling Center Drive, Memphis, Tennessee 38133-5069.

Q. DID YOU FILE DIRECT TESTIMONY ON BEHALF OF MEMPHIS NETWORK IN THIS DOCKET?

A. Yes.

Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?

A. The purpose of my testimony is to respond to some of the statements in William Barta's testimony which was filed on behalf of the Tennessee Cable Telecommunications Association ("TCTA") and to provide testimony regarding issues 3, 6, 7, 8 and 9 of the issues list approved by the TRA in this docket.

¹ No revisions were made to the exhibits filed with the original Pre-Filed Rebuttal Testimony of Ward Huddleston, Jr. Therefore, copies of these exhibits were not filed with this Revised Rebuttal Testimony.

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Q. PLEASE SUMMARIZE YOUR REBUTTAL TESTIMONY.

A. Mr. Barta has indicated that he agrees that the cross-subsidies safeguards that Memphis Networkx and MLGW plan to put in place are sufficient. Therefore, clarification of his lack of understanding of the context of the correspondence referred to in his exhibit should alleviate the issue of cross-subsidy. Memphis Networkx concurs with the testimony of John McCullough with respect to the cross-subsidy safeguards. Memphis Networkx also agrees with John McCullough that there are statutes and oversight authority by the TRA, the comptroller and the city to assure compliance with TCA § 7-52-402-405, TCA § 7-52-103(d) and, if applicable, TCA § 65-5-208(c). Memphis Networkx intends to comply with the law and the orders of the authority.

Q. HAS A&L CONSTRUCTION AGREED TO TRANSFER CONDUIT TUBING TO MEMPHIS NETWORKX?

A. No. Memphis Networkx has no agreements with A&L or MLGW to transfer conduit tubing or any other facilities.

Q. WHAT REQUIREMENTS, IF ANY, ARE NECESSARY TO INSURE THAT START UP EXPENSES, ALREADY INCURRED, ARE CURRENTLY IDENTIFIED AND PROPERLY ALLOCATED?

A. None. The start up expenses already incurred have been identified and properly recognized on the books and records of Memphis Networkx. They are shown on confidential Exhibits A and B to this rebuttal testimony.

Q. DURING THE COURSE OF DISCOVERY IN THIS PROCEEDING, MEMPHIS NETWORKX CIRCULATED SOME UPDATED FINANCIAL DOCUMENTS. DO YOU WISH TO SUPPLEMENT YOUR APPLICATION WITH THESE DOCUMENTS?

A. I would like to file as a supplement to the application, Exhibit A, the Memphis Networkx, LLC Statement of Cash Flow, Balance Sheet and Statement of Operations for the period ended December 31, 1999; and Exhibit B - the February 29, 2000, Unaudited Balance Sheet of Memphis Networkx; and Exhibit C, an updated balance sheet as of February 29, 2000 of APTUS Networks, LLC. (The sole member of A&L Networkx, Tennessee, LLC.) All of these documents are confidential and filed under seal pursuant to the protective agreement/order in this docket. .

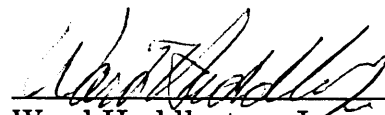
[The next paragraph of this Answer was struck pursuant to the Pre-Hearing Officer's April 28, 2000 Order.]

Q. DOES THIS CONCLUDE YOUR TESTIMONY?

A. Yes.

VERIFICATION

I, Ward Huddleston, Jr. declare under penalty of perjury that I am authorized by Memphis Networx, LLC to testify on its behalf, that I have caused the foregoing written testimony to be prepared on my behalf, that I have read the foregoing testimony and that the statements contained therein are true and correct to the best of my knowledge, information and belief.



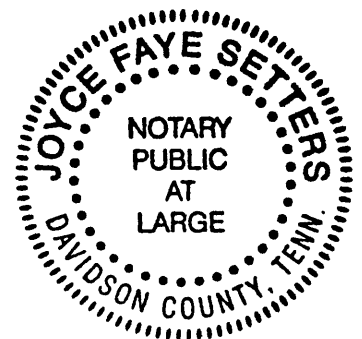
Ward Huddleston, Jr.
Chief Manager
Memphis Networx, LLC

STATE OF TENNESSEE)
)
COUNTY OF SHELBY)

Sworn to and subscribed before me this 1 day of May, 2000.



Notary Public
My Commission Expires: Sept 29, 2001



My Commission Expires Sept 29, 2001